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FM AMEMBASSY NAIROBI

TO SECSTATE WASHDC 9829

UNCLAS SECTION 1 OF 5 NAIROBI 5094/1

UNCTAD 053

E.O. 11652: N/A

TAGS: ETRD, UNCTAD

SUBJ: UNCTAD IV -DRAFT G-77 RESOLUTION ON A COMPREHENSIVE STRATEGY
FOR EXPANSION AND DIVERSIFICATION OF EXPORTS OF MANUFACTURES
AND SEMI-MANUFACTURES OF DEVELOPING COUNTRIES.

TEXT OF G-77 RESOLUTION ON MANUFACTURES (CRP 8) FOLLOWS:

QUOTE:

THE CONFERENCE,

RECALLING THE DECLARATION AND THE PROGRAMME OF ACTION ON THE
ESTABLISHMENT OF A NEW INTERNATIONAL ECONOMIC ORDER, ADOPTED BY THE
GENERAL ASSEMBLY IN RESOLUTIONS 3201 (S-IV) AND 3202 (S-IV), WHICH
REAFFIRMED, INTER ALIA, THE ADOPTION AND IMPLEMENTATION OF
MEASURES AIMED AT EXPANSION AND DIVERSIFICATION OF THE EXPORT
TRADE OF DEVELOPING COUNTRIES,

RECALLING ALSO THE LIMA DECLARATION AND PLAN OF ACTION ON
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INDUSTRIAL DEVELOPMENT CO-OPERATION, ADOPTED AT THE SECOND GENERAL
CONFERENCE OF THE UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION,

CALLING ON COUNTRIES, PARTICULARLY DEVELOPED COUNTRIES, TO
"UNDERTAKE AN OBJECTIVE AND CRITICAL EXAMINATION OF THEIR PRESENT
PLICIES AND MAKE APPROPRIATE CHANGES IN SUCH POLICIES SO AS TO
FACILITATE THE EXPNSION AND DIVERSIFICATION OF IMPORTS FROM
DEVELOPING COUNTRIES AND THERBY MAKE POSSIBLE INTERNATIONAL
ECONOMIC RELATIONS ON A RETIONAL, JUST AND EQUITABLE BASIS," AND
RECOMMENDING TO THIS EFFECT THAT THE SAHRE OF DEVELOPING COUNTRIES
"SHOULD BE INCREASED TO THE MAXIMUM POSSIBLE EXTENT AND AS FAR POSSIB
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TO AT LEAST 25 PERCENT OF TOTAL WORLD INDUSTRIAL PRODUCTION BY THE
YEAR 2000, WHILE MAKING EVERY ENDEAVOUR TO ENSURE THAT THE
INDUSTRIAL GROWTH SO ACHIEVED IS DISTRIBUTED AMONG THE DEVELOPING
COUNTREIS AS EVENLY AS POSSIBLE".

NOTING THAT EFFORTS FOR DIVERSIFICATION AND EXPANSION OF DEVELOPING

COUNTRIES" EXPORTS OF MANUFACTURES AND SEMI-MANUFACTURES SHOULD
IN ADDITION TO SECURING A MORE LIBERAL ACCESS TO DEVELOPED COUNTRY
COUNTRIES" EXPORTS OF MANUFACTURES AND SEMI-MANUFACTURES SHOULD
IN ADDITION TO SECURING A MORE LIBERAL ACCESS TO DEVELOPED
COUNTRY MARKETS, EXTEND ALSO TO IMPROVING THE SUPPLY CAPABILITY OF
DEVELOPING COUNTRIES AND OPENING AND EXPANDING NEW CHANNELS OF
TRADE TAKING INTO ACCOUNT THE CLOSE INTER-RELATIONSHIP OF
INDUSTRIALIZATION AND TRADE,

RECALLING RESOLUTION 3362 (S-VII) ON DEVELOPMENT AND
INTERNATIONAL ECNOMIC CO-OPERATION ADOPTED BY THE GENERAL
ASSEMBLY ON ITS SEVENTH SPECIAL SESSION WHICH FURTHER STRESSES THAT
IN ORDER TO ELIMINATE THE CONOMIC IMBALANCE BETWEEN DEVELOPED
AND DEVELOPING COUNTRIES CONCERTED EFFORTS SHOULD BE MADE IN FAVOR
OF THE DEVELOPING COUNTRIES TOWARDS EXPANDING ANDDDIVERSIFYING THEIR
TRADE, IMPORVING AND DIVERSIFYING THEIR PRODUCTIVE CAPACITY,
IMPROVING THEIR PRODUCTIVITY AND INCREASING THEIR EXPORT EARNINGS,

TAKING INTO ACCOUNT THE SPECIFIC PROPOSALS OF DEVELOPING COUNTRIES
MEMBERS OF THE GROUP OF 77 IN THE MANILA DECLARATION AND PROGRAMME
OF ACTION THAT "AGREEMENT SHOULD BE REACHED AT UNCTAD IV ON THE
COMPREHENSIVE STRATEGY TO EXPAND AND DIVERSIFY THE EXPORT TRADE
OF THE DEVELOPING COUNTRIES IN MANUFACTURES AND SEMI-MANUFACTURES,
WITH A VIEW TO THE ATTAINMENT OF THE GOAL FOR THEIR ACCALERATED
INDUSTRIAL DEVELOPMENT INCLUDING THOSE SET BY THE SECOND GENERAL

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CONFERENCE OF UNIDO AT LIMA",

NOTING ALSO THE REPORT BY THE SECRETARY-GENERAL OF UNCTAD ON
A COMPREHENSIVE STRATEGY FOR EXPANDING AND DIVERSIFYING THE EXPORT
TRADE OF DEVELOPING COUNTRIES IN MANUFACTURES AND SEMI-MANUFACTURES
(TD/18), AND OTHER RELEVANT DOCUMENTATION SUBMITTED TO THE SEVENTH
SPECIAL SESSION OF THE TRADE AND DEVELOPMENT BOARD,

AGREES ON THE NEED TO ADOPT A COMPREHENSIVE STRATEGY IN ORDER TO
ACHIEVE THE ABOVE OBJECTIVES IN PARTICULAR TO BRING ABOUT NEW
PATTERNS OF TRADE AND CONTRIBUTE TO A SUSTANTIAL INCREASE IN THE
SHARE OF DEVELOPING COUNTRIES IN WORLD INDUSTRIAL ACTIVITY,

ACCORDINGLY, MEMBER STATES SHOULD ADOPT AND IMPLEMENT POLICIES AND
MEASURES INTER ALIA IN THE FOLLOWING AREAS CONSTITUTING THE MAIN
ELEMENTS OF THE COMPREHENSIVE STRATEGY;

(1) IMPROVING ACCESS TO MARKETS IN DEVELOPED MARKET-ECONOMY
COUNTRIES AND SOCIALIST COUNTRIES OF EASTERN EUROPE FOR MANUFACTURES
AND SEMI-MANUFACTURES OF DEVELOPING COUNTRIES;

(2) IMPROVING THE CAPABILITY OF THE DEVELOPING COUNTRIES TO
SUPPLY EXPORTS OF MANUFACTURES AND SEMI-MANUFACTURES;

(3) INTERNATIONAL CO-OPERATION FOR INDUSTRIAL RESTRUCTURING;

(4) RESTRICTIVE BUSINESS PRACTICES - AND ADJUSTMENT OF THE
OPERATION OF TRANSNATIONAL COOPERATIONS WITH THE DEVELOPMENT NEED
OF AND FOR THE EXPANSION OF EXPORTS OF MANUFACTURES BY THE DEVELOPING
COUNTRIES AND GREATER AND MORE EFFECTIVE PARTICIPATION OF THE
DEVELOPING COUNTRIES IN DISTRIBUTION OF THEIR PRODUCTS; AND

(5) INTENSIFICATION OF TECHNICAL ASSISTANCE IN THE ABOVE AREAS,
WITH RESPECT TO THE ABOVE ELEMENTS OF THE COMPREHENSIVE STRATEGY
THE CONFERENCE AGREES ON THE FOLLOWING SPECIFIC MEASURES;

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TO SECSTATE WASHDC 9830

UNCLAS SECTION 2 OF 5 NAIROBI 5094/2

UNCTAD 053

(1) IMPROVING ACCESS TO MARKETS IN DEVELOPED MARKET ECONOMY COUNTRIES AND SOCIALIST COUNTRIES OF EASTERN EUROPE FOR MANUFACTURES AND SEMI-MANUFACTURES OF DEVELOPING COUNTRIES

ACCESS TO MARKETS SHOULD BE IMPROVED IN PARTICULAR IN THE FOLLOWING AREAS:

A. GSP

(A) THE GENERALIZED SYSTEM OF NON-RECIPROCAL, NON-DISCRIMINATORY PREFERENCES SHOULD BE IMPROVED IN FAVOUR OF THE DEVELOPING COUNTRIES THROUGH THE ADOPTION INTER ALIA OF THE FOLLOWING MEASURES, TAKING INTO ACCOUNT THE RELEVANT INTERESTS OF THOSE DEVELOPING COUNTRIES ENJOYING SPECIAL ADVANTAGES AS WELL AS THE NEED FOR FINDING WAYS AND MEANS FOR PROTECTING THEIR INTERESTS:

(I) EXTENSION OF ITS COVERAGE TO ALL PRODUCTS OF EXPORT INTEREST TO DEVELOPING COUNTRIES;

(II) UNRESTRICTED, DUTY-FREE AND QUOTA-FREE ENTRY FOR IMPORTS OF ALL PRODUCTS COVERED;

(III) LIBERALIZATION, SIMPLIFICATION AND HARMONIZATION OF THE GSP RULES OF ORIGIN IN ORDER TO PROMOTE AND NOT TO HINDER THE EXPORTS

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OF DEVELOPING COUNTRIES. THE DEVELOPING COUNTRIES SHOULD BE TREATED UNDER THESE RULES AS ONE AREA ("CUMULATIVE TREATMENT");

(IV) REMOVAL OF ALL THE DISCRIMINATORY AND RESTRICTIVE ASPECTS OF THE SCHEMES, ESPECIALLY THOSE OF THE UNITED STATES SCHEME;

(B) IMPROVEMENT AND/OR EXTENSION BY THE SOCIALIST COUNTRIES OF EASTERN EUROPE OF OTHER ECONOMIC AND FOREIGN TRADE MEASURE OF A PREFERENTIAL NATURE DESIGNED TO EXPAND AND DIVERSIFY IMPORTS FROM DEVELOPING COUNTRIES;

(C) THE GSP SHOULD BE GIVEN A FIRM STATUTORY BASIS AND MADE A PERMANENT FEATURE OF THE TRADE POLICIES OF THE DEVELOPED MARKET ECONOMY COUNTRIES AND OF THE SOCIALIST COUNTRIES OF EASTERN EUROPE;

(D) NO INSTRUMENT OF ECONOMIC POLICY, PARTICULARLY GSP, SHOULD BE USED AS AN INSTRUMENT OF POLITICAL OR ECONOMIC COERCION OR OF RETALIATION AGAINST DEVELOPING COUNTRIES, INCLUDING THOSE THAT HAVE ADOPTED OR MAY ADOPT, SINGLY OR JOINTLY, POLICIES AIMED AT SAFEGUARDING THEIR NATIONAL RESOURCES.

B. TARIFF RECLASSIFICATION

EXPORT PRODUCTS OF DEVELOPING COUNTRIES, INCLUDING UNPROCESSED AND SEMI-PROCESSED PRODUCTS IN BTN CHAPTERS 1-24, THAT CAN BE DISTINGUISHED FROM SIMILAR PRODUCTS OF DEVELOPED COUNTRIES SHOULD BE IDENTIFIED AND SEPARATELY CLASSIFIED IN THE NEW HARMONIZED COMMODITY SYSTEM AND IN DEVELOPED COUNTRIES CUSTOMS TARIFFS IN ORDER TO ALLOW DEVELOPED COUNTRIES TO GRANT MORE FAVOURABLE TREATMENT TO THESE PRODUCTS. IN THIS CONNEXION THE CUSTOMS CO-OPERATION COUNCIL IS REQUESTED TO CARRY OUT THE TECHNICAL STUDIES AS NECESSARY FOR IDENTIFICATION OF SUCH PRODUCTS AND TO SEPARATELY CLASSIFY THEM IN THE NEW HARMONIZED COMMODITY

SYSTEM.

C. NON-TARIFF BARRIERS

(I) DEVELOPED COUNTRIES SHOULD APPLY THE PRINCIPLE OF GENERALIZED PREFERENTIAL TREATMENT IN FAVOUR OF DEVELOPING COUNTRIES TO NON-TARIFF BARRIERS, INCLUDING THEIR ELIMINATION, AND TO OTHER TRADE POLICY MEASURES.

(II) DEVELOPED COUNTRIES SHOULD STRICTLY ADHERE TO THE STANDSTILL AS REGARDS RESTRICTIONS ON IMPORTS FROM DEVELOPING COUNTRIES, AND ANY DEPARTURE SHOULD BE SUBJECTED TO SUCH MEASURES AS CONSULTATIONS AND MULTILATERAL SURVEILLANCE AND COMPENSATION, IN ACCORDANCE WITH INTERNATIONALLY AGREED CRITERIA AND PROCEDURES.

(III) THE DEVELOPED COUNTRIES SHOULD TAKE EFFECTIVE STEPS FOR THE REDUCTION OR REMOVAL OF NON-TARIFF BARRIERS PARTICULARLY

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QUANTITATIVE RESTRICTIONS AFFECTING PRODUCTS OF EXPORT INTEREST TO DEVELOPING COUNTRIES ON A DIFFERENTIAL AND MORE FAVOURABLE BASIS FOR THESE COUNTRIES.

(IV) DEVELOPED COUNTRIES SHOULD ELIMINATE INTERNAL ADMINISTRATIVE, FISCAL AND PARA FISCAL BARRIERS TO TRADE OF DEVELOPING COUNTRIES.

(V) THERE SHALL BE NO PROLONGATION OR MULTIPLICATION OF INTERNATIONAL ARRANGEMENTS DESIGNED TO VALIDATE ARRANGEMENTS REQUIRING DEVELOPING COUNTRIES TO "VOLUNTARILY" RESTRICT THEIR EXPORTS AS IN THE CASE OF THE ARRANGEMENTS REGARDING INTERNATIONAL TRADE IN TEXTILES.

D. ADJUSTMENT ASSISTANCE MEASURES

THE DEVELOPED COUNTRIES SHOULD ADOPT APPROPRIATE INTERNAL ADJUSTMENT MEASURES WITH THE OBJECT OF ALLOWING FOR AN INCREASING VOLUME OF IMPORTS OF MANUFACTURES AND SEMI-MANUFACTURES FROM DEVELOPING COUNTRIES. THE DEVELOPED COUNTRIES SHOULD FACILITATE THE DEVELOPMENT OF NEW POLICIES AND STRENGTHEN EXISTING POLICIES, WHICH WOULD ENCOURAGE THE REDEPLOYMENT OF THEIR INDUSTRIES WHICH ARE LESS COMPETITIVE INTERNATIONALLY TO DEVELOPING COUNTRIES, SPECIALLY WHERE THE COMPARATIVE ADVANTAGE LIES IN FAVOUR OF DEVELOPING COUNTRIES THUS LEADING TO STRUCTURAL ADJUSTMENTS IN THE FORMER AND A HIGH DEGREE OF UTILIZATION OF NATURAL AND HUMAN RESOURCES IN THE LATTER.

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TO SECSTATE WASHDC 9831

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(2) IMPROVING THE CAPABILITY OF THE DEVELOPING COUNTRIES TO SUPPLY EXPORTS OF MANUFACTURES AND SEMI-MANUFACTURES
THE SUPPLY CAPABILITY OF THE DEVELOPING COUNTRIES SHOULD BE IMPROVED, INTER ALIA, BY THE FOLLOWING MEASURES:

(I) IN SECTORS AND INDUSTRIES WHERE THEY FACE SERIOUS PROBLEMS IN EXPORTING MANUFACTURED GOODS BECAUSE OF THEIR EARLY STAGE OF INDUSTRIALIZATION, ADEQUATE AND EFFECTIVE INCENTIVES FOR INDUSTRIAL EXPORTS SHOULD BE PROVIDED TO MAKE THESE EXPORTS COMPETITIVE IN THE WORLD MARKETS.

(II) DEVELOPED COUNTRIES SHOULD ASSIST DEVELOPING COUNTRIES IN SETTING UP AND STRENGTHENING FINANCIAL AND COMMERCIAL INSTITUTIONS AND MARKETING; DISTRIBUTION AND OTHER SUPPORTING INFRA - STRUCTURE REQUIRED BY THEM FOR DEVELOPMENT AND PROMOTION OF THEIR INDUSTRIES AND EXPORTS.

(III) INTERNATIONAL FINANCING INSTITUTIONS SHOULD INCREASE PROGRAMME LOANS TO INDUSTRIAL SECTORS - IN ADDITION TO THE PROJECT LOANS. AS WELL AS PROVIDE MEDIUM- AND LONG-TERM REFINANCING FACILITIES FOR THE EXPORTS OF DEVELOPING COUNTRIES. FEASIBILITY OF SETTING UP A NEW INTERNATIONAL INDUSTRIAL INSTITUTION SHOULD BE CONSIDERED.

(IV) INTERNATIONAL PRIVATE INVESTMENT AND THE FINANCING THEREOF SHOULD
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BE ADAPTED TO THE INDUSTRIAL NEEDS OF THE DEVELOPING COUNTRIES, IN ACCORDANCE WITH THEIR NATIONAL LEGISLATION AND POLICIES.

(V) DEVELOPED COUNTRIES SHOULD MAKE AVAILABLE, THROUGH BILATERAL AND MULTILATERAL CHANNELS, LARGER, AND ADEQUATE AMOUNTS, OF FINANCIAL AID TO ASSIST THE INDUSTRIALIZATION OF THE DEVELOPING COUNTRIES, COMMENSURATE WITH AND SUITED TO ACHIEVING THE 25 PERCENT SHARE FOR THESE COUNTRIES IN WORLD INDUSTRIAL OUTPUT BY THE YEAR 2000 AS SET OUT IN THE LIMA DECLARATION AND PLAN OF ACTION. THE TARGET SHOULD BE SUITABLY BROKEN DOWN FOR 1980, 1990 AND THE YEAR 2000

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(3) INTERNATIONAL CO-OPERATION FOR INDUSTRIAL RESTRUCTURING
APPROPRIATE TRADE AND RELATED MEASURES SHOULD BE TAKEN WITH A VIEW
TO ACHIEVING THE GOALS FOR INDUSTRIAL RESTRUCTURING CONTAINED IN THE
DECLARATION AND THE PROGRAMME OF ACTION ON THE ESTABLISHMENT
OF NEW INTERNATIONAL ECONOMIC ORDER, IN THE LIMA DECLARATION
AND PLAN OF ACTION OF INDUSTRIAL DEVELOPMENT AND CO-OPERATION
AND IN GENERAL ASSEMBLY RESOLUTION 3362 (S-VII) TAKING INTO
ACCOUNT THE COMPREHENSIVE STRATEGY FOR EXPANDING AND DIVERSIFYING
THE EXPORT TRADE OF DEVELOPING COUNTRIES IN MANUFACTURES AND SEMI-
MANUFACTURES AS WELL AS RELEVANT INTERNATIONAL DECISIONS IN THIS
FIELD. SUCH MEASURES SHOULD INCLUDE:

(A) EARLY IMPLEMENTATION OF THE DECISION TO ESTABLISH A SYSTEM
OF CONSULTATIONS AT GLOBAL, REGIONAL, INTER-REGIONAL, AND SECTORAL
LEVELS WITHIN APPROPRIATE INTERNATIONAL BODIES, IN ORDER TO
FACILITATE THE ACHIEVEMENT OF THE AFORE-MENTIONED GOALS.
UNCTAD SHOULD PARTICIPATE EFFECTIVELY IN THE CONSULTATION SYSTEMS
ESTABLISHED BY UNIDO.

(B) ACTION FOR STRENGTHENING THE PROMOTION IN DEVELOPING COUNTRIES OF
THE PRODUCTION AND TRADE OF MANUFACTURES AND SEMI-MANUFACTURES,
INCLUDING THOSE INVOLVING THE USE OF ADVANCED TECHNOLOGY IN THEIR
PRODUCTION.

SUCH ACTION SHOULD INCLUDE THE ELABORATION OF SPECIFIC MEASURES
INCLUDING GUIDELINES ON THE FOLLOWING::

- (I) IDENTIFICATION OF INDUSTRIAL ACTIVITIES THAT COULD BE THE SUBJECT
OF INDUSTRIAL COLLABORATION ARRANGEMENTS;
- (II) WAYS OF PROMOTING INDUSTRIAL COLLABORATION ARRANGEMENTS IN THEIR
VARIOUS FORMS;
- (III) REDEPLOYMENT OF INDUSTRIES FROM DEVELOPED TO DEVELOPING
COUNTRIES;
- (IV) SUPPORTING MEASURES IN DEVELOPED COUNTRIES INCLUDING ADJUST-
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MENT ASSISTANCE MEASURES DESIGNED TO INCREASE IMPORTS FROM
DEVELOPING COUNTRIES PARTICULARLY IN SECTORS WHERE THE COMPETITIVE
ADVANTAGE LIES WITH DEVELOPING COUNTRIES;

(V) COMMERCIAL CO-OPERATION BETWEEN DEVELOPING AND DEVELOPED
COUNTRIES AND AMONG DEVELOPING COUNTRIES, AID AT FACILITATING
THE OPERATION OF COLLABORATION ARRANGEMENTS;

(VI) FINANCIAL AND TECHNICAL CO-OPERATION, INCLUDING APPROPRIATE
ASSISTANCE FROM INTERNATIONAL INSTITUTIONS;

(VII) HARMONIZATION OF THE PRODUCTION OF SYNTHETICS AND SUBS-
TITUES IN DEVELOPED COUNTRIES WITH THE SUPPLY OF NATURAL PRODUCTS
PRODUCED IN DEVELOPING COUNTRIES;

(VIII) SUPPORTING MEASURES TO BE TAKEN BY THE DEVELOPING COUNTRIES FO
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THE ABOVE, TAKING INTO ACCOUNT THE NEED FOR PROTECTING THEIR NASCENT
INDUSTRIES.

(C) STRENGTHENING OF CO-OPERATION BETWEEN UNCTAD AND UNIDO IN
THE FIELD OF INDUSTRIAL RESTRUCTURING.

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TO SECSTATE WASHDC 9832

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UNCTAD 053

(4) RESTRICTIVE BUSINESS PRACTICES

(A) ACTION SHOULD BE TAKEN AT NATIONAL, REGIONAL AND INTERNATIONAL LEVELS TO ELIMINATE RESTRICTIVE BUSINESS PRACTICES, INCLUDING THOSE OF TRANSNATIONAL CORPORATIONS, ADVERSELY AFFECTING THE TRADE AND DEVELOPMENT OF DEVELOPING COUNTRIES.

(B) IN THE ABOVE RESPECT, ACTION SHOULD BE TAKEN BY DEVELOPED COUNTRIES AIMED AT IMPROVING CONTROL OVER SUCH PRACTICES AND, IN THIS CONNEXION, THROUGH THE INSTITUTION OF APPROPRIATE NOTIFICATION AND REGISTRATION PROCEDURES AS WELL AS THE DEVELOPMENT, WHERE NECESSARY, OF NEW POLICIES.

(C) ACTION SHOULD BE TAKEN AT THE INTERNATIONAL LEVEL WITHIN THE FRAMEWORK OF UNCTAD, INCLUDING:

(I) THE FORMULATION OF A SET OF MULTILATERALLY AGREED EQUITABLE PRINCIPLES AND RULES FOR THE CONTROL OF RESTRICTIVE BUSINESS PRACTICES HAVING AN ADVERSE BEARING ON THE TRADE AND DEVELOPMENT OF DEVELOPING COUNTRIES;

(II) SUPPLY OF INFORMATION BY DEVELOPED COUNTRIES ON RESTRICTIVE BUSINESS PRACTICES AFFECTING THE TRADE AND DEVELOPMENT OF DEVELOPING COUNTRIES, INCLUDING INFORMATION AS MAY BE NECESSARY FOR THE EFFECTIVE CONTROL OF SUCH PRACTICES;

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(III) COLLECTION AND DISSEMINATION OF INFORMATION ON RESTRICTIVE BUSINESS PRACTICES GENERALLY BY THE UNCTAD SECRETARIAT AND, TO THE EXTENT APPROPRIATE, IN CLOSE CO-OPERATION WITH THE RESEARCH AND INFORMATION CENTER ON TRANSNATIONAL CORPORATIONS;

(IV) CONTINUED REVIEW OF THE WAYS OF IMPROVING THE EXCHANGE OF INFORMATION ON RESTRICTIVE BUSINESS PRACTICES AFFECTING DEVELOPING COUNTRIES BETWEEN THE GOVERNMENTS OF DEVELOPED AND DEVELOPING COUNTRIES.

(V) PROVISION OF TECHNICAL ASSISTANCE TO DEVELOPING COUNTRIES IN THE AREA OF RESTRICTIVE BUSINESS PRACTICES, ESPECIALLY IN RESPECT OF THE TRAINING OF OFFICIALS;

(VI) ELABORATION OF A MODEL LAW ON RESTRICTIVE BUSINESS PRACTICES TAKING INTO ACCOUNT INTER ALIA THE PRINCIPLES EXAMINED BY THE SECOND AD HOC GROUP OF EXPERTS ON RESTRICTIVE BUSINESS PRACTICES, IN ORDER TO ASSIST DEVELOPING COUNTRIES IN DEVISING APPROPRIATE LEGISLATION;

(D) ACTION SHOULD BE TAKEN TO ESTABLISH AN INTERGOVERNMENTAL GROUP OF EXPERTS ON RESTRICTIVE BUSINESS PRACTICES WHICH, TAKING INTO ACCOUNT THE WORK OF THE SECOND AD HOC GROUP OF EXPERTS ON RESTRICTIVE BUSINESS PRACTICES, IS TO PREPARE DETAILED PROPOSALS AND RECOMMENDATIONS IN RESPECT OF PARAGRAPH (C) ABOVE AND TO SUBMIT THESE TO THE TRADE AND DEVELOPMENT BOARD THROUGH THE COMMITTEE ON MANUFACTURES.

(5) TRANSNATIONAL CORPORATIONS AND THE EXPANSION OF EXPORTS OF MANUFACTURES BY DEVELOPING COUNTRIES:

(A) ACTION SHOULD BE TAKEN AT NATIONAL, REGIONAL AND INTERNATIONAL LEVELS IN ORDER TO ENSURE THAT TRANSNATIONAL CORPORATIONS REORIENT THEIR ACTIVITIES TOWARDS MORE COMPLETE MANUFACTURE IN DEVELOPING COUNTRIES AND TOWARDS FURTHER PROCESSING THEREIN OF RAW MATERIALS FOR BOTH DOMESTIC AND FOREIGN MARKETS AND, IN THIS CONNEXION, ACTION SHOULD BE TAKEN IN THE DEVELOPED COUNTRIES TO ADJUST THEIR POLICIES, PARTICULARLY IN THE FIELD OF TARIFF AND NON-TARIFF PROTECTION, FOREIGN EXCHANGE REGULATIONS, FOREIGN INVESTMENT AND FISCAL AND FINANCIAL INCENTIVES TO FACILITATE SUCH A REORIENTATION IN TRANSNATIONAL CORPORATIONS' ACTIVITIES.

(B) MEASURES SHOULD BE TAKEN TO STRENGTHEN THE PARTICIPATION OF NATIONAL ENTERPRISES OF DEVELOPING COUNTRIES IN ACTIVITIES UNDERTAKEN BY TRANSNATIONAL CORPORATIONS IN THEIR TERRITORIES, PARTICULARLY THOSE RELATING TO THE IMPORT AND EXPORT OF MANUFACTURES AND SEMI-MANUFACTURES.

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(C) THE ENVISAGED ACTION IN THE FIELD OF RESTRICTIVE BUSINESS PRACTICES SHOULD FULLY TAKE INTO ACCOUNT THE ACTIVITIES OF

TRANSNATIONAL CORPORATIONS AND SPECIFIC RULES SHOULD BE DEVELOPED TO CONTROL PRACTICES OF SUCH CORPORATIONS LIKELY TO AFFECT THE IMPORT AND EXPORT TRADE OF DEVELOPING COUNTRIES IN PARTICULAR RESTRICTIONS ON EXPORTS AND IMPORTS; EXCLUSIVE DEALING ARRANGEMENT; ACQUISITIONS, MERGERS AND TAKEOVERS; AND THE PRICING POLICIES OF TRANSNATIONAL CORPORATIONS.

(D) MEASURES SHOULD BE DESIGNED TO REGULATE AND CONTROL THE ACTIVITIES OF TRANSNATIONAL CORPORATIONS WITH THE AIM OF ENSURING THAT SUCH ACTIVITIES BECOME A POSITIVE FACTOR IN THE EXPORT EFFORTS OF DEVELOPING COUNTRIES AND SO THAT THESE COUNTRIES ACQUIRE GREATER CONTROL OVER THE PROCESSING, MARKETING AND DISTRIBUTION OF THEIR MANUFACTURES AND SEMI-MANUFACTURES.

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UNCTAD 053

(E) THE UNCTAD SECRETARIAT SHOULD CONTINUE AND STRENGTHEN ITS WORK ON THE ROLE OF TRANSNATIONAL CORPORATIONS IN THE TRADE IN MANUFACTURES AND SEMI-MANUFACTURES OF DEVELOPING COUNTRIES, WITH PARTICULAR ATTENTION BEING PAID TO THE QUESTIONS OF THE MARKETING AND DISTRIBUTION CHANNELS FOR SUCH PRODUCTS, AND THE NEED FOR GREATER PARTICIPATION IN AND INFLUENCE OVER SUCH CHANNELS BY DEVELOPING COUNTRIES; RESTRICTIVE BUSINESS PRACTICES; AND INCREASED PROCESSING OF RAW MATERIALS IN DEVELOPING COUNTRIES.

(6) INTENSIFICATION OF TECHNICAL ASSISTANCE

REQUESTS THE SECRETARY-GENERAL

(1) TO EXPAND AND ADAPT UNCTAD'S PRESENT PROGRAMME OF TECHNICAL ASSISTANCE, IN CONSULTATION WITH INTERNATIONAL ORGANIZATIONS CONCERNED, TO FACILITATE THE IMPLEMENTATION OF THE COMPREHENSIVE STRATEGY AND ENSURE THE FULL PARTICIPATION OF THE DEVELOPING COUNTRIES;

(2) TO FORMULATE APPROPRIATE TECHNICAL ASSISTANCE PROJECTS FOR THE PROVISION OF THE REQUIRED ADVISORY AND RELATED SERVICES TO THE DEVELOPING COUNTRIES AT THE INTERRREGIONAL, REGIONAL AND OTHER LEVELS;

(3) TO STRENGTHEN THE SECRETARIAT AS MAY BE REQUIRED TO ENSURE
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ADQUATE SUBSTANTIVE SUPPORT TO THE TECHNICAL ASSISTANCE PROGRAMME THROUGHOUT THE PREPARATORY AND IMPLEMENTATION STAGES;

(4) TO SEEK THE NECESSARY FINANCING FROM UNDP AS WELL AS OTHER SOURCES, WHETHER MULTILATERAL OR BILATERAL AND, WHERE NECESSARY AND FEASIBLE, UNDER LONG-TERM ARRANGEMENTS.

(7) ROLE OF UNCTAD

REQUESTS THE SECRETARY-GENERAL OF UNCTAD TO CARRY OUT STUDIES AND TO MAKE NECESSARY ARRANGEMENTS FOR CONSULTATIONS, NEGOTIATIONS AND REVIEW OF THE IMPLEMENTATION OF THE COMPREHENSIVE STRATEGY. THE SECRETARY-GENERAL OF UNCTAD SHOULD BE GIVEN ADEQUATE RESOURCES TO CARRY OUT THESE TASKS,

INVITES OTHER INTERNATIONAL ORGANIZATIONS, IN PARTICULAR UNIDO TO STRENGTHEN THEIR CO-OPERATION WITH UNCTAD IN THEIR ACTIVITIES THAT ARE RELEVANT TO SUCH STRATEGY. UNQUOTE.

MARSHALL

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LESS DEVELOPED COUNTRIES, MARKETS, ECONOMIC COOPERATION, AGREEMENT DRAFT
Control Number: n/a
Copy: SINGLE
Draft Date: 18 MAY 1976
Decaption Date: 01 JAN 1960
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Disposition Authority: n/a
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Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976NAIROB05094
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
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Film Number: D760193-0345
From: NAIROBI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760542/aaaabjpr.tel
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Reference: n/a
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Review Authority: CollinP0
Review Comment: n/a
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Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: UNCTAD IV -DRAFT G-77 RESOLUTION ON A COMPREHENSIVE STRATEGY FOR EXPANSION AND DIVERSIFICATION OF EXPORTS OF MANUFACTURES
TAGS: ETRD, KE, UNCTAD
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006